



## Fact Sheet

U.S. Department of Agriculture  
Foreign Agricultural Service

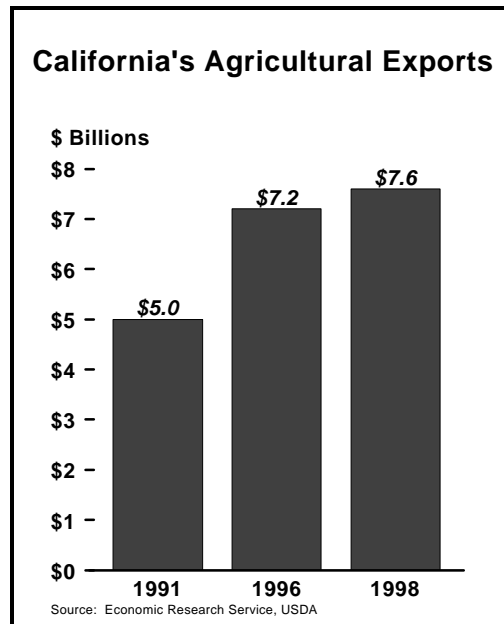
### *WTO and Agriculture* **What's at Stake for California?**

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California is the largest producer of agricultural products and the top exporter. It also boasts the second largest timber industry. Farm cash receipts totaled \$24.6 billion in 1998, and state forest industry shipments were \$6.6 billion in 1996. As for exports, the value of agricultural products leaving the state was estimated at \$7.6 billion in 1998. These exports help boost farm prices and income, while supporting about 115,500 jobs both on the farm and off the farm in food processing, storage, and transportation. Exports are increasingly important to California's agricultural economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 28 percent to 31 percent since 1991.

California's top five agricultural exports in 1998 were:

- # vegetables -- \$1.9 billion
- # fruits -- \$1.7 billion
- # tree nuts -- \$1.1 billion
- # cotton -- \$376 million
- # rice -- \$258 million



World demand is increasing, but so is competition among suppliers. If California's farmers, ranchers, and food processors are to compete successfully for opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

#### **California Benefits From Trade Agreements**

- # California benefits from the Uruguay Round as Japan and Korea reduce tariffs on processed fruits. On almonds, the EU is reducing tariffs 36-50 percent and doubling its tariff-rate quota to 90,000 tons. Korea, Thailand and Malaysia are cutting tariffs on almonds and other nuts.
- # California benefits under the Uruguay Round as Japan lowers its tariffs to 32 percent and 16 percent for oranges. Korea is establishing a tariff-rate quota for oranges and reducing its lemon tariffs to 30 percent. Japan and Korea are reducing their tariffs on fresh grapefruit to 10 percent and 30 percent.
- # Under the Uruguay Round, the EU is reducing its tariffs on U.S. wine from 30.9 cents to 19.8 cents per liter by 2000. Japan is reducing its tariffs from 21.3 percent to 15 percent by 2000.